

**MINUTES
SPECIAL MEETING
UTILITY SERVICE BOARD
FEBRUARY 6, 2013**

The Special Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 8:00 AM on Wednesday, February 6, 2013.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Doug Schulte – Secretary
Alex Emmons – Wastewater Commissioner
Dave Hurst – Water Commissioner
Keith Masterson – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Michael A. Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Renee Kabrick – City Attorney
Ashley Kiefer – Office Manager

ABSENT:

Ken Sendelweck – Electric Commissioner
Rick Stradtner – Vice Chairman
Windell Toby – Electric Generation Manager

PLEDGE OF ALLEGIANCE (DVD-00:50)

Chairman Wayne Schuetter led the Pledge of Allegiance.

EDA THIRD AVENUE WATER GRANT APPLICATION (DVD-01:15)

Chairman Schuetter stated that the main reason for the Special meeting was to discuss the Third Avenue Water project. This project was discussed four to five years ago due to numerous breaks on the water line and the age of the line. The project was pushed back due the Beaver Lake Dam project taking precedence. In 2012, the Third Avenue Water project was put back onto the calendar and plans were made to move forward with the project. At this time, the Utility Service Board decided to pursue a grant through EDA to help pay for a portion of the project.

Lisa Gehlhausen, with Indiana 15 Regional Planning Commission, stated that the Board needed to make a decision concerning a carry forward letter received from EDA regarding the grant application. The letter was received by the City on January 28, 2013. The letter is asking for the

City to make a decision concerning carrying forward the grant application submitted to EDA on December 12, 2012.

Originally, if the City received the grant, the City's portion for the project was going to cost \$856,450. At this time, EDA cannot fund any projects due to Congress not passing a budget yet. The budget may not be passed until mid-March. Therefore, EDA wants to know if the City wants to carry forward the application until the March 13, 2013 deadline. There are no deficiencies in the application, but the City has not been awarded the grant at this time. Three applications sent to EDA have received the carry forward letters back.

Therefore, there is a timeline decision to make. Can the infrastructure wait? If the City carries forward the grant application, which would delay the start of the project, and with the water lines having to be replaced first, the paving may have to wait until 2014. This would mean another winter without repaving, therefore more road deterioration would occur and prices would escalate.

The Water Department's portion of the project would increase if the City does not carry forward the grant application. The costs will be approximately \$1 million, with no alternatives. The Street Department's cost would also increase because the paving was included in the grant application. The Water Department has close to \$2 million in current funds to pay for the project. A portion of the money in the funds is a loan received for the Beaver Dam project from the Electric Department.

If the City decides to carry forward the application, no bids for the project can be sent out until the City receives a grant award letter. The City will then be under the timeline set by the EDA, delaying the project. The infrastructure is in need of repair now. The Water Department can fund the project without changing rates. The costs of the project were incorporated into the last rate study that was done.

Doug Schulte made a motion to NOT carry forward the grant application with EDA. Keith Masterson seconded the motion. Motion approved, 5-0.

Chairman Schuetter thanked Lisa Gehlhausen and Indiana 15 Regional Planning Commission for all their hard work regarding the grant application.

INDIANA 15 REGIONAL PLANNING COMMISSION REIMBURSEMENT (DVD-22:40)

Lisa Gehlhausen informed the Board that Indiana 15 does not charge the City a fee for writing the grant application for EDA. They have incurred costs in the amount of \$3,500 for an environmental review study that had to be done for the grant application. Gehlhausen asked the Board if they would consider paying those fees.

Alex Emmons made a motion to reimburse Indiana 15 Regional Planning Commission for \$3,500 for an environmental review study for the project. Dave Hurst seconded the motion. Motion approved, 5-0.

Gehlhausen stated publicly that the businesses along Third Avenue that signed commitment letters for job creation for the grant application are now null and void.

NORTHSIDE SEWER (DVD-24:50)

Lisa Gehlhausen informed the Board that the Wastewater's Northside Sewer project was monitored on January 24, 2013 by OCRA. The monitoring went very well, and there were no findings on the project. The City received a letter to proceed with steps 2 and 3 of the close-out process. Mayor Seitz signed the letter and the project is essentially closed out. The City just needs to submit the 2012 State Board of Accounts audit to the funding agency.

BEAVER LAKE (DVD-25:40)

Lisa Gehlhausen informed the Board that step 1 for the close-out on the Beaver Lake project has been submitted to OCRA. OCRA will monitor the project in the next step of close out.

ENGINEERING COSTS FOR THIRD AVENUE WATER PROJECT (DVD-26:10)

Chairman Schuetter explained to the Board that the costs for engineering for the Third Avenue project have increased due to applying for the EDA grant. Derick Wiggins, with Midwestern Engineering, explained that the original cost for engineering was \$68,000 for the design, plus \$15,000 for part-time inspection. Amendment #1 to the contract changed the amounts, due to the grant application, to \$89,000 for the design, plus \$19,000 for part-time inspection, plus another \$8,000 for preliminary engineering, which has already been done and paid.

Wiggins presented Amendment #2 to revert the engineering costs back to the original amounts prior to the grant application, plus the \$8,000 for the preliminary engineering fee.

Keith Masterson made a motion to approve Amendment #2 to the agreement with Midwestern Engineering for the Third Avenue Water project as presented. Doug Schulte seconded the motion. Motion approved, 5-0.

THIRD AVENUE BIDS (DVD-29:39)

Derick Wiggins informed the Board that he will have the plans and specifications for the Third Avenue Water project ready and finalized within the next week. Chairman Schuetter asked the Board to give Wiggins approval to send out requests for bids to open at the March 18th Utility Service Board meeting, after the plans and specifications are reviewed by City personnel and communicated with Street Commissioner Eckerle for a smooth transition.

Doug Schulte made a motion to give Derick Wiggins, with Midwestern Engineers, permission to send out requests for bids to open at the March 18th Utility Service Board meeting, after review by City personnel. Dave Hurst seconded the motion. Motion approved, 5-0.

WATER TREATMENT PLANT UV STUDY (DVD-34:10)

Derick Wiggins presented the Agreement for the UV study for the Water Treatment Plant to the Board. The Agreement just needs signatures.

WAGE DETERMINATION HEARING (DVD-34:35)

Chairman Schuetter said the Utility Service Board needs to make an appointment to the Wage Determination Committee for the Third Avenue Water project. A hearing is scheduled tomorrow morning, February 7th, at 10:00 AM.

General Manager Bud Hauersperger spoke to Dave Hurm and Hurm would be willing to be the representative for the Utility Service Board to the Wage Determination Committee.

Doug Schulte made a motion to appoint Dave Hurm to the Wage Determination Committee for the Utility Service Board for the Third Avenue Water project. Keith Masterson seconded the motion. Motion approved, 5-0.

JASPER COUNTY CLUB SEWER LINE (DVD-35:23)

Chairman Schuetter stated that the costs for the Jasper Country Club property sewer line construction are not ready yet. The costs should be ready to discuss for the Regular Utility Service Board meeting on February 18, 2013.

BEAVER LAKE LEVELS (DVD-36:37)

Mike Oeding stated that some owners of Beaver Lake properties are inquiring about the lake's levels. Oeding stated that they are treating it like a normal year, keeping the valve closed as long as no freezing occurs. The valve was open last week during the freezing period. They are trying to get the lake as full as they can, as soon as possible, and trying to do the least amount of damage to docks. The valves are working great, and the lake is almost 4 feet above winter pool, which is normal for this time of year.

There being no further business to come before the Board, the meeting was adjourned at 8:40 AM upon motion by Alex Emmons and second by Doug Schulte. Motion approved, 5-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2013.

Attest: _____
Secretary Chairman